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Executive Registry

76-0647/2

12 FEB 1976

MEMORANDUM FOR: Deputy Director of Central Intelligence

SUBJECT : Management of Agency Supergrade Positions,
Ceiling and Personnel

1. Action Requested:

On 4 February 1976 the CIA Management Committee unanimously recommended approval of the proposals contained in paragraph 4 of this memorandum relative to Agency policies and procedures governing the management of supergrade positions, ceiling and personnel. Your approval of these recommendations is requested.

2. Background:

a. The Agency has been under close scrutiny from OMB for the past two years as regards justification to retain our current supergrade allowance. The fact that Agency personnel levels have declined from [redacted] in 1969 to approximately [redacted] at present while our supergrade allowance has increased from [redacted] (including Scientific Pay Scale positions) to [redacted] (not including [redacted] SPS positions) has not escaped OMB's attention. While we have repeatedly emphasized that we view our supergrade requirements as a function of level of responsibility rather than of organizational size, OMB remains skeptical of the need for our present supergrade allowance (i.e., ceiling) of [redacted]

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b. Prior to FY 1975 the Agency ceiling established by OMB covered only staff personnel. Our supergrade allowance was not specifically associated with our staff ceiling, but we chose to treat it as such and did not charge our contract "supergrade" employees within our supergrade ceiling. The fact that we have a number of contract "supergrade" personnel has never been specifically surfaced to OMB. Now that we have a single ceiling encompassing both staff and contract personnel, it seems likely that we will be expected to count any contract "supergrade" employees within our OMB-authorized supergrade allowance. Therefore, unless specifically required for incumbents of certain positions (inter-Agency representation, etc.), it is important to treat senior contract employees strictly on a pay figure without using language in the contracts or elsewhere which equates specifically to supergrade status.

2. [redacted] 66026

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25X9 c. The House Appropriations Committee, during its review of the Agency's 1976 budget, questioned the "very high grade structure with [REDACTED] positions GS-16 and above."

d. Historically, the Agency has never used its full supergrade allowance. Even following the recent promotion exercise, we were still 12 below ceiling (excluding [REDACTED] contract "supergrade" employees) as of 31 December 1975. 25X9

e. The atmosphere created by the House and Senate Select Committees, coupled with the attention of both OMB and the House Appropriations Committee to our current supergrade situation, not to mention the reduction in Southeast Asia supergrade requirements, suggests that a request to OMB for an increase at this time would not be viewed sympathetically.

25X9 f. Three of the Agency's four Directorates and the Office of the DCI are now requesting additional supergrade positions which cannot be accommodated within the current Agency supergrade ceiling of [REDACTED]. Regardless of the validity of such requirements, the foregoing factors, coupled with the reduction in Southeast Asia supergrade requirements, do not permit the Agency to develop a strong case for an increase in our supergrade authorization at this time.

3. Staff Position:

a. The increased attention which is being given from without to the Agency's supergrade situation, in addition to the competition for the limited available ceiling from within, suggests an urgent need to develop a more effective program for the management of supergrade positions, ceiling and personnel. It is equally clear that supergrade allocation is an Agency-wide problem that involves competing demands and requirements as perceived by the various Career Services which, in the aggregate, exceed the present supergrade ceiling and, therefore, involve considerations which transcend individual Directorate interests. This would suggest that the present approach to the problem -- the distribution of the Agency's total authorized supergrade allowances in permanently fixed allocations to the Career Services -- which does not lend itself to solution by any one Directorate -- should be reviewed and possibly abandoned in favor of a new approach involving centralized management and control of ceiling at the Agency level.

b. The Director's internal initiatives in support of the President's appeal for assistance in reducing rising personnel costs must include preservation of the integrity of the position classification function. In carrying out their responsibilities relative to effective position management and manpower utilization, the Deputy Directors should have the benefit of position classification expertise proffered by the Office of Personnel.

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c. Over a period of the past three years, out of 39 individual requests from component Heads for the establishment or upgrading of supergrade positions, 30 were adjudicated by OP/Position Management and Compensation Division at the level requested. While the number of "disagreement" issues are not many, the differing viewpoints of the interested Deputy Directors concerned and the findings of OP/PMCD require a forum for further discussion, review and recommendation to the DCI for decision. This is particularly true regarding our efforts to conduct an across-the-board Agency supergrade position review in recent years where the evaluation of such positions has shown differing viewpoints on position grades in approximately 10 to 15 percent of the cases. Therefore, we believe that an Agency supergrade Board should be constituted with responsibility for making recommendations to the DCI on Agency-wide allocation and control of Agency supergrade ceiling and periodic monitoring of supergrade officer utilization and development throughout the Agency.

d. With respect to accountability, all supergrade officers should be counted against the Agency supergrade ceiling whether assigned to a non-supergrade position (i.e., to a GS position below the supergrade level on a PRA basis, or to an SPS or Executive Pay position) or to a properly classified supergrade position. No non-supergrade employee should be counted against the Agency supergrade ceiling (i.e., flag-rank military officers should not be counted as supergrades).

4. Recommendations: It is recommended that:

a. The Agency seek no increase at this time in its present supergrade allowance of [REDACTED] 25X9

b. Contract "supergrade" employees be considered for conversion to non-supergrade status with no loss in rate of pay when present contracts are extended or amended for other purposes.

c. The DDCI (as Chairman), the four Deputy Directors, the Chairman of the Senior Executive Career Service Panel, the Director of Personnel and the Comptroller or his designee (as advisors) be constituted as the Agency Supergrade Board (replacing the CIA Supergrade Review Panel, HR [REDACTED]) The Director of Personnel would be responsible for providing the Secretariat and staff support to the Board. 25X1A

d. The allocation of Agency supergrade ceiling to the four Directorates and the Offices of the DCI be temporarily set in accord with the DCI's memorandum of approval for the November 1975 promotion exercise, with the remaining unused supergrade allowance to be held as an Agency-wide reserve.

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e. The Office of Personnel (Position Management and Compensation Division) immediately conduct an Agency-wide supergrade position review on the expedite basis and submit its findings to the Agency Supergrade Board. The review will take into account Directorate recommendations, all currently existing supergrade positions, and any additional senior positions which appear to merit supergrade consideration. Findings will include all positions that the Office of Personnel determines to be properly classified at the supergrade level, even though the total number of supergrade positions resulting therefrom and reflected on the official staffing complement may exceed the present GS supergrade allowance of [REDACTED]

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f. The Agency Supergrade Board will review findings and make recommendations to the Director for his approval of the position grades and the allocation of supergrade allowances for the remainder of FY 1976 and the transition period (i.e., through 30 September 1976). These allocations are to be reviewed in accord with these same procedures and adjusted annually at the beginning of each subsequent fiscal year.

g. All future requests for additional supergrade ceiling allocations, the establishment of new supergrade positions, or grade adjustments of existing supergrade positions be submitted through the Office of Personnel for classification review by PDCD (with findings completed within 14 days from receipt) to the Agency Supergrade Board for its review and recommendation to the DCI. The Board's recommendations, including any dissenting views, the positions taken by the Director of Personnel and the Comptroller, and the interested Deputy Director's proposal will be forwarded to the Director for decision.

h. Responsibility for career management and development of supergrade officers be retained by the four Directorate Career Services and the Senior Executive Career Service Panel of the Office of the DCI.

i. All supergrade officers be counted against the Agency supergrade ceiling regardless of the type and/or grade of their position of assignment.

j. Positions occupied by flag-rank military officers be established as military designated positions and that flag-rank military officers not be charged against supergrade ceiling.

k. HR [REDACTED] be amended as appropriate.

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[REDACTED]
Carl E. Duckett
Secretary
CIA Management Committee

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and Personnel

APPROVED

/s/ Vernon A. Walters

25 FEB 1976

Date

DISAPPROVED:

Date

(Signed) F. W. M. Janney

ORIGINATOR:

F. W. M. Janney
Director of Personnel

10 FEB 1976

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OP/P&C, [REDACTED] lrm (6 Feb 76)

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